

company, and to request that you will oblige by bringing it at early convenience before the members of the Cabinet for their consideration.

On the 2nd December, 1885, a deputation consisting of Messrs. Nathan, Levin, Shannon, and C. J. Johnston, directors of the company, waited on the Hon. Mr. Ballance, Minister for Native Lands, to represent the claim of the company to have the deficiency of allocated lands made up as referred to in clause 11 of the contract between the company and the Government.

Copies of the attached letters, dated respectively 13th February and 22nd September, 1882, to which your attention is requested, were handed to the Minister for the purpose of explaining the origin of the above clause in the contract, and giving the reasons for the claim of the company to have the deficiency of allocation made up from what it now is, 19 per cent., to 30 per cent., on the average cost of £5,000 per mile of railway constructed as per contract.

The Minister was informed that up to the date of waiting on him no purchase of any Native blocks, beyond a trifling extent, had been made within the area of allocation, and he was asked whether he would take steps for that purpose if opportunity offered.

Subsequently Mr. Nathan (the chairman) and myself waited upon Mr. Ballance, and represented to him that we had reason to believe that the company could influence Major Kemp, who was the sole trustee for the Horowhenua Block, to make application for the subdivision of ownership to the Native Land Court, and were prepared to do so if he wished it with a view of purchasing.

Understanding that we were carrying out the wish of the Minister, Mr. Alexander McDonald, the company's servant, was instructed to arrange with Major Kemp to make the necessary application for subdivision of the block.

Since then Mr. McDonald has reported that the application has been lodged, and, from what he knows of the ownership, that the Crown, if desirous, can acquire four-fifths of the block after making suitable reserves.

The present position of the Horowhenua, and the means which have led up to it, are known to Mr. Ballance, and at an interview on Wednesday last, with which our chairman was honoured, he was asked whether it was intended that the purchase, if made by the Crown, would be applied to the completion of the allocation above referred to.

Mr. Ballance's reply was that he had no funds at his disposal to buy Native lands for that purpose, but recommended that the company should bring their claim before the Cabinet, and state the circumstances in which it had been placed when brought before him.

It is to give effect to the recommendation with the least delay that the directors have instructed me to address and request you to favour them by giving the subject your attention.

It is of importance that no time should be lost in arriving at a determination, as Major Kemp has invited the various interested claimants to meet him on the block, and will at once proceed to investigate and apportion the ownership, so that a complete approved scheme of subdivision and settlement will be placed before the Court when it opens.

I am further to state that the directors wish that you would place before your colleagues the fact of the company having energetically and faithfully fulfilled their contract up to the present time, and that this is evidenced by the officers in your department having, without hesitation, certified to 54 miles being well and truly constructed, and although much of this was of a heavy character and involved large expenditure not a single alteration was required or fault found by them.

They think that such facts should weigh with the Cabinet when the company's claim is being considered.

The Hon. the Minister for Public Works.

I have, &c.,

JAS. WALLACE, Secretary.

The ASSISTANT UNDER-SECRETARY, Public Works Department, to the CHAIRMAN, Wellington and Manawatu Railway Company (Limited).

SIR,—

Public Works Department, Wellington, N.Z., 4th August, 1886.

*Re land endowment.*—Referring to my letter of the 28th ultimo, acknowledging the receipt of yours of 24th February (? July last), relative to the purchase by the Government of Native Lands to make good the alleged deficiency in the endowment to your company, I am now directed by the Minister for Public Works to state that the Government is of opinion that the company should submit the matter to Parliament for consideration by way of petition.

I have, &c.,

H. J. H. BLOW,

Assistant Under-Secretary for Public Works.

The Chairman.

Wellington and Manawatu Railway Company (Limited).

The SECRETARY, Wellington and Manawatu Railway Company (Limited), to the Hon. the MINISTER for PUBLIC WORKS.

SIR,—

Wellington, 19th August, 1886.

*Re land endowment.*—I am directed to acknowledge receipt of your letter, as per margin of the 4th inst., addressed to the Chairman in reply to my letter of the 24th July last, relative to the purchase by the Government of Native land to complete the allocation of land due to this company in terms of its contract; and I have the honour to state that my directors do not consider that it is a matter for submission to Parliament, but one that should be dealt with by the Cabinet; and, therefore, they beg that it should receive further consideration, and that you will favour by again placing my letter of the 24th July before the Cabinet for that purpose.

I have, &c.,

The Hon. the Minister for Public Works, Wellington.

JAS. WALLACE, Secretary.